

Term Life Insurance Contract Solicitation Questionnaires:

Solicitation Number: SMY30013R0001

Question 1:

How many claims have you had in the past three (3) years?

Answer:

There had been two (2) claims. One (1) in April 2012 and the other in Jan 2013. Both were accidents and not work related.

Question 2:

How has the head count changed in the last three (3) years?

Answer:

Head Count has fluctuated between 185 and 192 employees. The number will not surpass 200 employees.

Questions 3:

Please re-confirm coverage for Natural, Accidental and Total and Permanent Disability (TPD)?

Answer:

C.2.1. Group Life Insurance Coverage.

The amount of group life insurance coverage is as follows:

C.2.1.1 Amount of Coverage for Natural Death. : **In the event the employee dies of natural causes, then the employee's designated beneficiary will receive an amount equal to 24 times his or her last earned monthly basic salary.** The minimum life insurance benefit cannot be less than 24 times of his or her monthly basic salary. Death benefit is payable in one lump sum to the employees designated beneficiary.

C.2.1.2 Amount of Coverage for Accidental Death. **In the event the employee is killed in an accident, then the employee's designated beneficiary will receive an amount equal to 36 times his or her last earned monthly basic salary.** The minimum accidental death insurance benefit cannot be less than 36 times of his or her monthly

basic salary. Death benefit is payable in one lump sum to the employees designated beneficiary.

C.2.1.3 Amount of Coverage for Total Disability. **In the event the employee is totally disabled as a result of any cause, then the employee will receive an amount equal to 36 times his or her last earned monthly basic salary.** Total disability benefits are payable after a waiting period of 6 months (to establish total disability) or immediately (upon physical separation, as defined). The disability benefit is the total benefit and is not in addition to the natural and / or accidental death benefit.

Question 4:

Please elaborate on premium (per thousand (1,000) of salary). Is reference made to rate per thousand?

Yes, the fixed prices or premium rates (in local currency) per one thousand for the term life insurance services refers to accidental death and dismemberment and & total permanent disability (TPD) coverage.

Total premium = Fixed Premium Rate X estimated sum assured (in thousands)

Question 5:

Is employee premium needed for every employee or total premium?

Answer:

Premium is needed for every employee.

Question 6:

Could the format below be proposed for clearer illustration?

Type of Insurance	Premium (per 1,000) of salary	Total Sum Assured	Total Premium	GST (6%)	Total Price
Basic Life (GTL) (Natural Death)					
Accidental Death and Dismemberment (ADD)					
Total & Permanent Disability (TPD)					

Answer:

Yes. Life Insurance contract solicitation amended accordingly.

Question 7:

Is Total and Permanent Disability Benefit for natural causes only?

Answer:

No. The disability benefit is the total benefit and is not in addition to the natural and / or accidental death benefit. This benefit should not be considered as a rider to the Group Term Life (GTL).

Question 8:

Kindly elaborate on Partial Benefit?

Answer:

Partial Benefit or Partial Permanent Disability (PPD) **should not** be included as a rider to the Group Term Life. Please see amended contract solicitation document.

End of Q's & A's.